



Project Insights Report

# Labour Market Experiences of Canadians with Mental Health Conditions and Cognitive Differences



## PARTNERS

Enviro-nics Institute  
Diversity Institute



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## Executive Summary

Mental health conditions and cognitive differences are becoming more prevalent in Canada, yet their implications for labour market participation remain insufficiently understood. These groups are often aggregated within broader disability categories, limiting insight into their distinct experiences and constraining the design of effective supports. This project addresses that gap using data from the eighth wave of the [Survey on Employment and Skills](#) (March–April 2025; n=5,603), which included 869 respondents with a mental health condition and 391 with some form of cognitive difference. The analysis examines differences in education, employment, job satisfaction, financial well-being, and workplace supports, with comparison to respondents reporting no condition.

Findings show that these groups experience the labour market in distinct ways. Individuals with cognitive differences demonstrate relatively strong attachment to work and high job satisfaction (86%), but face a key vulnerability: once unemployed, they are far more likely to experience long-term unemployment. They also exhibit a more polarized financial outlook, reflecting both opportunity and instability. In contrast, individuals with mental health conditions face more consistent precarity, including lower employment (62% vs. 84% among those with no condition), lower job satisfaction, greater difficulty securing work, and higher levels of financial strain.

These outcomes are further shaped by intersectional factors. Women are more likely to report mental health conditions, poorer self-rated mental health, and prolonged unemployment, while men are more likely to report cognitive differences and, in some cases, chronic unemployment. Indigenous women and racialized men are disproportionately represented in specific groups, highlighting uneven pathways into labour market vulnerability.

Workplace supports play an important but uneven role. Practical training, particularly in technology and conflict resolution, is associated with improved job satisfaction across groups, while stress and mental health training among those with mental health conditions is linked to more polarized outcomes, underscoring the importance of design and fit.

These findings have important implications for employers and policymakers. They demonstrate that mental health conditions and cognitive differences cannot be treated as a single category and that one-size-fits-all approaches to support are insufficient. More targeted, condition-specific and intersectionally informed strategies are needed to improve labour market access, stability, and inclusion, while addressing persistent gaps in employment and financial security.

#### KEY INSIGHTS

- 1** Among participants between the ages of 25 and 54 with a mental health condition, a higher proportion report looking for work, but not finding employment (12.2%), compared to those with cognitive differences (5.7%), or no conditions (8.6%).
- 2** Among respondents aged 25 to 54 years with no condition, 83.7% report being employed, compared to 61.7% of those reporting a mental health condition and 76.4% of those reporting a cognitive difference.
- 3** Among those with mental health conditions, 84% of women report unemployment lasting six months or longer, compared to 62% of men; a similar pattern appears among those with cognitive differences (80% of women vs. 60% of men).

## ▶ The Issue

Mental health conditions and cognitive differences are becoming more prevalent in Canada, yet their implications for labour market participation and workplace experiences remain insufficiently understood. More than one in four Canadians now report a disability, with mental health conditions representing one of the fastest-growing categories. However, national labour market data often aggregates these groups within broader disability categories, limiting condition-specific understanding of their distinct experiences and needs. Simultaneously, these conditions are frequently “invisible,” underdiagnosed, or undisclosed, making them harder to identify and address in workplace settings.

Despite growing awareness, individuals with mental health conditions and cognitive differences continue to face persistent labour market barriers, including lower employment rates, higher unemployment, longer periods out of work, and reduced earnings. These challenges differ by condition: mental health conditions are associated with sharper barriers to entering the labour market, while cognitive differences are more strongly linked to prolonged unemployment once individuals lose work. As reported rates of these conditions rise and recognition of neurodiversity increases, there is a growing urgency to better understand how they shape labour market outcomes and workplace experiences.

Economic pressures further heighten this challenge. Employers continue to report difficulties with recruitment and retention, yet workers with mental health conditions and cognitive differences remain underutilized when they cannot access stable or meaningful employment. Long job searches, employment instability, and financial strain affect not only individuals but also organizational performance and the broader economy, reinforcing cycles of exclusion and limiting the full use of available talent.

This project responds to these gaps by providing disaggregated, intersectional, condition-specific evidence on how Canadians with mental health conditions and cognitive differences experience education, employment, workplace conditions, and financial well-being, including comparison to those with no condition.



## What We Investigated

This project examined how Canadians with mental health conditions and cognitive differences experience and navigate the labour market, and how their outcomes differ from those of workers with no condition. While disability and accessibility have received increasing policy and research attention, these groups are often analyzed together, limiting insight into their distinct challenges, strengths, and patterns of participation. This project addressed that gap by focusing on condition-specific differences in employment outcomes, job satisfaction, financial security, job security, and access to workplace supports and training.

The research was guided by three questions:

1. How do employment outcomes, job satisfaction, and financial outlooks differ between individuals with cognitive differences, individuals with mental health conditions, and those with no condition?
2. What role do workplace training and supports play in shaping job satisfaction and work experiences across these groups?
3. How do broader economic pressures and workplace conditions, such as job security and automation concerns, influence labour market experiences?

To explore these questions, the project drew on data from the Survey on Employment and Skills, a national survey conducted between March-April 2025 by the Environics Institute in partnership with the Diversity Institute and the Future Skills Centre. The survey included 5,603 respondents aged 18 and older across all provinces and territories. Within this sample, 391 respondents reported a cognitive difference and 869 reported a mental health condition, allowing for detailed and statistically meaningful comparisons.

This approach allowed for a detailed comparison of groups often treated as one. It also made it possible to analyze how demographic factors such as gender, age, race, education, and income shape the pathways through which workers with mental health conditions and cognitive differences engage with the labour market.

## ✔ What We're Learning

The findings show that mental health conditions and cognitive differences shape labour market experiences in distinct ways. These differences emerge across education, employment, workplace experiences, and financial well-being, and are shaped by intersectional factors like gender, race, and indigeneity.

For individuals with cognitive differences, labour market attachment is relatively strong but uneven. Employment rates are closer to those with no condition, and 86% report being at least somewhat satisfied in their jobs, higher than the general workforce. However, this resilience masks a key vulnerability: when individuals with cognitive differences become unemployed, they are far more likely to experience long-term unemployment. This risk is especially pronounced for women, who are more likely than men to experience extended unemployment spells. At the same time, individuals with cognitive differences report a more polarized financial outlook, being more likely to report both recent improvements and ongoing or anticipated financial decline.

For individuals with mental health conditions, outcomes are more consistently precarious. Employment rates are substantially lower, and job satisfaction is well below that of the broader workforce. Many are actively seeking work without success and report sustained financial strain, with a majority indicating that their financial situation has worsened. Gender differences are also evident: women are more likely to report mental health conditions and poorer self-rated mental health, and are more likely to experience prolonged unemployment, while men are more likely to report having never been employed.

Workplace experiences and supports differ across groups. Individuals with cognitive differences report higher overall job satisfaction, while those with mental health conditions report lower and more uneven satisfaction. Practical training, particularly in technology and conflict resolution, is associated with improved job satisfaction across both groups. However, stress and mental health training among individuals with mental health conditions is linked to more polarized outcomes, suggesting that the design and delivery of supports are critical. Access to training remains limited overall.

Broader labour market dynamics also shape outcomes. Individuals with either condition are more likely to report concerns about job security and automation and are more concentrated in public sector roles, particularly in education. Educational attainment gaps further structure these experiences, with lower rates of post-secondary completion, especially among those with cognitive differences. Intersectional patterns are also evident: Indigenous women represent a larger share of those reporting mental health conditions, while racialized men are overrepresented among those reporting cognitive differences. These patterns point to uneven pathways into labour market vulnerability that are not captured by condition alone.

A central learning is that mental health conditions and cognitive differences cannot be treated as a single category. While some challenges overlap, the pathways through which each group experiences education, employment, job quality, and financial security differ in meaningful ways, underscoring the need for tailored policies, employer practices, and supports rather than uniform approaches.

## ★ Why It Matters

The results from this project show that mental health conditions and cognitive differences shape labour market experiences in distinct ways, underscoring the limits of treating these groups as a single category. When experiences are aggregated, important differences in employment stability, job satisfaction, financial security, and pathways into and through work are obscured, making it harder for employers and policymakers to respond effectively.

For practitioners and employers, the findings highlight that workplace supports matter, but not uniformly. Practical training that is well-designed and targeted, particularly in areas such as technology and conflict resolution, is associated with higher job satisfaction across both groups. Among workers with mental health conditions, stress and mental health training are linked to more polarized outcomes, suggesting that poorly aligned or insufficient supports may fail to stabilize workplace experiences. More broadly, access to training remains limited, reinforcing the need to improve quality and availability.



### **State of Skills: Quality of Work**

As Canada navigates continuing labour shortages in critical areas of the economy, policymakers and employers are looking for more effective approaches to recruit and retain workers.

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Further, the findings also clarify where risks and opportunities are concentrated. Individuals with cognitive differences often demonstrate strong attachment to work and high job satisfaction once employed, but face significant barriers when attempting to enter or re-enter the labour market, particularly following periods of unemployment. They also exhibit a more polarized financial outlook, combining signs of optimism with ongoing vulnerability. In contrast, individuals with mental health conditions experience more consistent disadvantages, including lower employment, greater difficulty securing work, lower job satisfaction, and sustained financial strain. These distinct patterns point to the need for differentiated strategies that address entry into employment and longer-term stability.

Importantly, these outcomes are not evenly distributed. Intersectional differences shape how risks are experienced: women are more likely to report mental health conditions and extended periods of unemployment, while men are more likely to report cognitive differences and, in some cases, chronic unemployment. Indigenous women are overrepresented among those reporting mental health conditions, and racialized men among those reporting cognitive differences, pointing to uneven pathways into labour market vulnerability that are not captured by one condition in isolation.

For policymakers, the results emphasize the value of disaggregated data and more precise program design. Broad disability-focused policies may miss the specific challenges facing workers with mental health conditions or cognitive differences, as well as how these challenges intersect with gender and race. More targeted approaches to workplace accommodations, skills development, and employment supports can better align with lived experience and improve outcomes. Sectoral patterns, including greater concentration in public sector roles such as education and lower representation in private sector employment, further suggest where access barriers may persist and where interventions could be focused.

Finally, the findings carry broader economic implications. Persistent underemployment, long job searches, and financial instability represent lost potential in a labour market already facing recruitment and retention pressures. The evidence shows that many individuals, particularly those with cognitive differences, are well-positioned to contribute when barriers are reduced. Aligning workforce and disability policies with these realities is therefore not only an equity issue, but also a practical strategy for building a more resilient and inclusive Canadian labour market.

## ► **What's Next**

At this stage, there are no direct next steps for the project. However, the findings highlight opportunities for future work.

Continued tracking of mental health and cognitive differences in the Survey on Employment and Skills would provide valuable longitudinal data, showing how experiences evolve with changing economic conditions.

There is also scope for testing targeted employer interventions, such as piloting workplace training linked to cognitive strengths or resilience supports for workers with mental health conditions, to identify which strategies most effectively improve outcomes.

Finally, the results point to the value of sector-wide collaboration, ensuring that inclusive practices are embedded not only at the organizational level but across the labour market as a whole.

Have questions about our work? Do you need access to a report in English or French? Please contact [communications@fsc-ccf.ca](mailto:communications@fsc-ccf.ca).

### **How to Cite This Report**

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